

ADAMS COUNTY RETIREMENT BOARD MEETING

**MINUTES - REGULAR MEETING
MICROSOFT TEAM MEETING**

AUGUST 4, 2020

BOARD MEMBERS PRESENT

Brent Voge – Chairman
Alisha Reis – Vice Chairman
Lisa Culpepper – Treasurer
Marc Osborne

BOARD MEMBERS EXCUSED

ADMINISTRATIVE STAFF

Debbie Haines, Executive Director (Corresponding Secretary)
Michele Riggin – Retirement Benefits Specialist

ACTUARIAL STAFF

Gabriel Roeder Smith – Paul Wood

LEGAL COUNSEL

Davis Graham & Stubbs – Cindy Birley

INVESTMENT CONSULTANTS

Ellwood Associates – Dale Connors
Ellwood Associates – Andy Fiegel

OTHER ATTENDEES

Susan Dobbs – Rangeview Library District
Pernell Olson – Budget Department
Zack Cziryak – Financial News

Called to Order: 1:31 P.M.

INTRODUCTION OF SPECIAL GUESTS/ATTENDEE'S

None

SPECIAL PRESENTATION

None

EMPLOYEE/RETIREE CORRESPONDENCE

None

REGULAR BUSINESS SESSION

CONSENT AGENDA

Consent Agenda: Distributed by E-Mail

Approval of Regular Board Meeting Minutes – July 7, 2020

Approval of Money Manager Fund Totals – None

Provided at Board Meeting:

Approval of Terminated Retirement Members Payout Report – July 2020

Ratify of Administrative Expenditures – August 4, 2020

Expenditures - \$61,236.40

Paid July Expenditures - \$18.40

Ms. Culpepper - Aye

Ms. Reis – Aye

Mr. Osborne – Abstained

Mr. Voge - Aye

Approved.

UNFINISHED BUSINESS

Update of Employer Retirement Contribution Continuance – Alisha Reis

Ms. Reis indicated that the Employer Retirement Contribution continuance has been incorporated in the base budget. She stated that it is going forward thru the budget process. Ms. Reis indicated that the next update would be at the November 2020 Board meeting.

NEW BUSINESS

**Ellwood Associates – Dale Connors & Andy Fiegel
2020 2nd Quarter Performance Review**

Mr. Fiegel indicated that the U.S. stocks experienced their best quarter in 20 years. He stated that the S&P 500 second quarter return was 20.5% and was the best since 1998. Mr. Fiegel indicated U.S. stocks continue to lead

the way over stocks outside of the US. He stated that the S&P 500 fell 34% between February and March 23, 2020. To fully recovery, the index needs to gain 51% from its March 23, 2020 lows. Through June 30, 2020, the index recovered 77% of its losses and needs to gain 8% to return to previous highs.

Mr. Connors stated that through June 30, 2020 the Plan was down 3.60% at \$270,722,728. He indicated that the Adams County Retirement Plan hired Blackrock High Yield Bond fund in May 2020. Mr. Connors stated that the trigger point set for selling the high yield bond fund position which is an option adjusted spread for the high yield index was 4.5%, the Plan through yesterday was at 4.3%. He stated that Ellwood thought that this would take longer for the high yield bond market to move back into more normalcy and it only took a couple of months. Mr. Connors indicated that the Plan made money on this fund so, Ellwood is recommending terminating Blackrock High Yield Bond fund and moving it back to Metropolitan West Total Return Fund. Mr. Connors continued by going over each money manager.

Ms. Reis moved to liquidate the Blackrock High Yield Bond Fund and use the proceeds to move into Metropolitan West Total Return Fund. Ms. Culpepper seconded the motion and it was unanimously carried.

Davis Graham & Stubbs – Cindy Birley Discussion of Definition of Compensation

Ms. Birley stated that in the Board packet contained an excerpt from the Plan Document on compensation. She indicated that the question is mainly directed towards Ms. Reis and Ms. Dobbs, Rangeview Library District. Ms. Birley referred to the Family First Act and asked if they knew of any employee that has been paid compensation for paid sick leave because of COVID? Ms. Birley indicated that she might need to revise the compensation section in the Plan Document but wants to know how Adams County & Rangeview Library might be handling. Ms. Reis stated that the County has applied the Family First Act. Ms. Dobbs indicated that Rangeview has not yet had to apply this to any employee but might have something come up in the future with childcare. Ms. Birley asked if she could get a copy of each employer's policies on handling and paying employees due to COVID.

STANDING REPORTS

Ellwood Associates Monthly Investment Update

None

Davis Graham & Stubbs Legal Update

Ms. Birley updated the Board about the 90 Day Rule for Domestic Relations Orders (DRO's) that was brought to their attention at July's Board meeting. She stated that the DRO in question was received by the Retirement Office by the deadline.

Gabriel Roeder Smith
Actuarial Update

Mr. Wood indicated that a couple of weeks ago the Actuarial standards of Practice were revised. He stated ASOP 27 & ASOP 35 were revised. Mr. Wood indicated the Plan will not be affected because we are going above the standards.

Retirement Staff – Administrative Business

Ms. Haines informed the Board that she is working with Crystal Hoffner, ITi Department on the Board member election. She stated that Ms. Hoffner is testing Survey monkey and hopes to have something out by the 1st of September 2020.

Other Business

None

Ms. Reis – left 2:30 P.M.

Mr. Voge moved to convene into Executive Session at 2:26 P.M. Pursuant to C.R.S. Sections 24-6-402(4)(b) to receive legal advice on specific legal questions. Ms. Culpepper seconded the motion and it was unanimously carried

EXECUTIVE SESSION

Mr. Osborne moved to adjourn Executive Session and reconvene the Regular Board Meeting. Mr. Voge seconded the motion.

Mr. Osborne – Aye
Mr. Voge - Aye

The Regular Board Meeting reconvened at 2:36 P.M. with all Board members, Retirement staff and legal counsel present.

The Regular Board Meeting adjourned at 2:37 p.m.

Respectfully submitted,

Debbie Haines, Executive Director
(Corresponding Secretary)

NEXT BOARD MEETING

TUESDAY, SEPTEMBER 1, 2020
REGULAR BOARD MEETING
MICROSOFT TEAMS MEETING